

CONFIDENTIAL
TOP SECRET

*Note: by DDI & OCE.
7/12/54 -
Understand that item may
come up for discussion
at watch
Committee meeting
8/12.*

MEMORANDUM FOR: DD/I (?)

7 December 1954

Subject: Evaluation of Intelligence Content of TOP SECRET
FBI Letter of 3 December 1954

FBI REVIEW
COMPLETED

1. Information from other sources supports the view that certain matters may be in dispute between the Soviet Union and the Chinese Communist regime -- for example, the role of the Soviet Union in the military defense of the Far East and the level of Soviet aid to Peiping. Information of this kind is not believed to be sufficient to justify a conclusion of "considerable trouble" between the two parties, although that possibility cannot be excluded. CIA would welcome specific information from this source as regards Sino-Soviet disputes.

*Considered at
IAC Watch
Committee
8/12/54 -
General Evaluation
in Committee was
same as ours*
Sh

2. It is believed that source is correct in ~~judging that~~ judging that the Communist Bloc is "definitely planning some type of action for the Far East," although it would be more accurate to say that the Communists are definitely engaged in certain types of actions and appear to be planning others, including military action. For example, the Chinese Communists have repeatedly stated their intention to "liberate" Formosa, an action which, as source says, "could mean war." CIA would welcome any information which source may have on this point.

ILLEGIB REVIEW COMPLETED NAVY review(s) completed.

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Office Memorandum • UNITED STATES GOVERNMENT

TO : AD/CI
25X1A

DATE: 8 December 1954

FROM : SUBJECT: Watch Committee Comments on TOP SECRET FBI Letter of 3 December 1954
(attached)

25X1A The content of the FBI letter was brought into today's Watch Committee discussions in an indirect manner. At the conclusion of the substantive presentations, Cmdr. Vickery of ONI stated that he had become aware of a feeling of concern and uneasiness among his colleagues that something was "up" in the international situation and might break at any time. He inquired whether the representatives of any other agencies might have any observations on this. Acting Chairman, then put the problem to various members present and solicited their informal views.

25X1A The FBI representative then read for the Committee the contents of the 3 December TS letter and gave some background on the source, stating that the Bureau anticipated contacting him again during the latter part of this month. The comments of the various representatives were very much in line with the original OCI evaluation of the letter which we had made the basis of our own statements on the situation. We did not however refer to our possession of the letter itself.

25X1A summed up the informal opinion of the Watch Committee on the problem raised by Cmdr. Vickery roughly as follows:

- (a) In the Far East the Chinese Communists are recognized to have a fixed aim in the taking of Formosa. They have, however, established no deadline for this. We anticipate therefore a continuing "hot" situation in that area which can be expected to intensify in the future particularly with the coming of Spring. In Indochina it appears that the Communists will continue to advance their aims by political means rather than armed conflict.
- (b) In Europe there is an "emerging" situation. We recognize the high degree of Soviet sensitivity to the rearming of Germany, and that a rearmed and independent West Germany would have a stronger basis for action against the Communists than even South Korea, considering not only the issue of East Germany but also of the German territories lost to the Poles. It is to be expected that the tempo will rise in Europe but we cannot say at present what the ultimate course of events will be.

Document No. 009

No Change in Class. ☐☐ Declassified

Class. Changed To: TS S C

Auth: NE 70-2

Date: 25 JUL 1978

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CONFIDENTIAL
Federal Bureau of Investigation
United States Department of Justice
Washington 25, D. C.

December 3, 1954

*Wood
DCE
JH*

**PERSONAL AND CONFIDENTIAL
VIA LIAISON**

Mr. Allen W. Dulles
Director
Central Intelligence Agency
Administration Building
Room 123
2430 E Street, N. W.
Washington, D. C.

Dear Mr. Dulles:

An informant, who has furnished reliable information in the past and who is currently in contact with Soviet intelligence officers, has advised that he learned from them that the Soviets are having considerable trouble (nature not specified) with the Chinese Communists. He also has become firmly convinced that the Soviets (or the Communists) are definitely planning some type of action for the Far East. The informant was unable to obtain specific information as to their plans, but believed it could mean war or action which might lead to war.

It is expected that this informant will obtain valuable information in the future and, for his protection, it is requested that these data be treated as Top Secret.

This information has also been furnished to the Attorney General; Honorable Robert Cutler, Special Assistant to the President; the Secretary of State; Admiral Lewis L. Strauss, Chairman, Atomic Energy Commission; Rear Admiral Edwin T. Layton, Deputy Director for Intelligence, the Joint Staff, Joint Chiefs of Staff; Major General Joseph F. Carroll, Director of Special Investigations, the Inspector General, United States Air Force; Major General Arthur G. Trudeau, Assistant Chief of Staff, G-2, Department of the Army; Rear Admiral Carl P. Espe, Director of Naval Intelligence; Major General John A. Samford, Director of Intelligence, Department of the Air Force; Honorable James S. Lay, Jr., Executive Secretary, National Security Council.

Sincerely yours,

[Signature]

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CENTRAL INTELLIGENCE AGENCY
OFFICIAL ROUTING SLIP

TO		INITIALS	DATE
1	DD/I		
2			
3			
4			
5			
FROM		INITIALS	DATE
1	Exec. Asst. to DCI	JSE/dr	7 Dec 54
2			
3			

<input type="checkbox"/> APPROVAL	<input checked="" type="checkbox"/> INFORMATION	<input type="checkbox"/> SIGNATURE
<input type="checkbox"/> ACTION	<input type="checkbox"/> DIRECT REPLY	<input type="checkbox"/> RETURN
<input type="checkbox"/> COMMENT	<input type="checkbox"/> PREPARATION OF REPLY	<input type="checkbox"/> DISPATCH
<input type="checkbox"/> CONCURRENCE	<input type="checkbox"/> RECOMMENDATION	<input type="checkbox"/> FILE

Remarks:

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